

Message Text

CONFIDENTIAL

PAGE 01 STATE 043478

21

ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 FEA-01 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04

ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 XMB-02

/095 R

DRAFTED BY EB/OT/STA:WTDIROLL:JH

APPROVED BY EB/OT/STA:WCLARK, JR.

EUR/RPE:RBRESLER

EUR/NE:NACHILLES

----- 099076

R 240158Z FEB 76

FM SECSTATE WASHDC

TO AMEMBASSY BERN

C O N F I D E N T I A L STATE 043478

E.O. 11652: GDS

TAGS:ETRD, SZ

SUBJECT: TARIFFS AND TRADE: SWISS ELECTRONIC WATCHES

REF: BERN 719

1. IN DISCUSSIONS WITH SWISS MISSION MAY NOTE THAT HEARINGS ON H.R. 10176 AND CERTAIN OTHER BILLS, WHICH WERE INITIALLY SET FOR FEBRUARY 20, HAVE BEEN PUT OFF UNTIL MARCH 2. THE WATCH BILL IS ONE OF ABOUT 50 TARIFF PROPOSALS PENDING ON THE CALENDAR OF BUSINESS OF THE WAYS AND MEANS SUBCOMMITTEE ON TRADE. IN CONTRAST TO THE PROPOSED WATCH LEGISLATION, VIRTUALLY ALL OF THE OTHER PENDING PROPOSALS CALL FOR THE SUSPENSION, REDUCTION OR ELIMINATION OF DUTIES.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 043478

2. THE WATCHES OF INTEREST ARE CURRENTLY CLASSIFIED FOR CUSTOMS PURPOSES UNDER ITEMS 716.10 TO 716.16, INCLUSIVE OF THE TARIFF SCHEDULES OF THE UNITED STATES. HENCEFORTH UNDER THE PROPOSED LEGISLATION THEY WOULD BE CLASSIFIED UNDER THE FOLLOWING NEW ITEM:

"716.07 WATCH MOVEMENTS, NOT HAVING A BALANCE WHEEL AND HAIRSPRING, ASSEMBLED WITHOUT DIALS OR HANDS, OR WITH

DIALS OR HANDS, WHETHER OR NOT ASSEMBLED THEREON" AND SUBJECT TO DUTY AT \$5.37 PER UNIT. THE PROPOSED LEGISLATION THUS REFLECTS A SEVEN-FOLD INCREASE IN THE EXISTING MINIMUM RATE OF 75 CENTS PER UNIT.

3. POINTS OUTLINED IN MISSION'S REPORT ARE, AS NOTED BY JACOBI, A REITERATION OF CONSIDERATIONS SET FORTH IN A SWISS MEMORANDUM RECENTLY SUBMITTED TO THE DEPARTMENT. SWISS REPRESENTATION WAS PRECEDED BY SWISS EMBASSY REPRESENTATIVE VISITS TO THE OTHER EXECUTIVE AGENCIES WHICH HAVE BEEN INVITED TO REPORT ON H.R. 10176, AN UNDERTAKING APPARENTLY DESIGNED TO ASSURE THAT SWISS VIEWS ARE TAKEN INTO ACCOUNT BY OTHER UNITED STATES OFFICIALS MAKING AGENCY DETERMINATIONS. THE MEMORANDUM PRESENTED TO THE DEPARTMENT HAS BEEN PROVIDED THE OTHER AGENCIES REPRESENTED ON THE TRADE POLICY STAFF COMMITTEE.

4. ADMINISTRATION IS IN PROCESS OF FORMULATING ITS POSITION ON H.R. 10176. OUR PROPOSED REPORT, WHICH IS SUBJECT TO OMB REVIEW, RECOMMENDS AGAINST ENACTMENT ON THE GROUNDS THAT IMPORTS ARE NOT CAUSING INJURY AND ENACTMENT WOULD ADVERSELY AFFECT IMPORTANT FOREIGN TRADE POLICY OBJECTIVES. SWISS AND OTHER EXPORTING COUNTRY VIEWS HAVE BEEN TAKEN INTO ACCOUNT IN THE PREPARATION OF OUR REPORT.

5. WILL KEEP EMBASSY APPRISED OF SIGNIFICANT DEVELOPMENTS.
INGERSOLL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: IMPORTS, CUSTOMS DUTIES, WATCHES, LEGISLATIVE BILLS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: saccheem
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE043478
Document Source: CORE
Document Unique ID: 00
Drafter: WTDIROLL:JH
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760068-0500
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760218/aaaaapsd.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 BERN 719
Review Action: RELEASED, APPROVED
Review Authority: saccheem
Review Comment: n/a
Review Content Flags:
Review Date: 10 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 MAY 2004 by ifshinsr>; APPROVED <20 SEP 2004 by saccheem>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TARIFFS AND TRADE: SWISS ELECTRONIC WATCHES
TAGS: ETRD, SZ, US
To: BERN
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006